



Housing Policy and Practices Advisory Group Density Subcommittee Notes

February 17 Meeting Notes

Participating Members: Mike Rawson, John Terrell, Ma'Ayn Johnson, Larry Florin, Leighann Moffitt, Betsy Strauss, Cesar Covarrubias, Anya Lawler, Gillian Adams

Staff: Melinda Coy

Discussion:

- Just having jurisdiction at higher density doesn't get us to affordability
- There should be policies to ensure that affordability will more likely occur on sites identified for affordable housing.
- Requiring lower income sites to be available by right for residential development (e.g. APA proposal)
 - The proposal is to require by-right housing on multifamily sites identified in the housing element inventory if a percentage of moderate, low- or very-low income housing is proposed.
 - Income level is important, many times above-moderate income RHNA is met, need incentives to meet affordable.
 - The proposal is to help implement the housing element rather than planning.
 - Density bonus law would be compatible (someone could use both density bonus and by-right provisions)
 - Similar obligation could be included in the Housing Element statute providing for by right development of affordable housing on sites identified as available for lower income housing development
- Revising default densities by geographic area
 - Greater flexibility based on geography is needed especially in unincorporated areas of counties which have a variety of types of places (Urban to Rural).
 - Agricultural communities also have an issue with using default density standards.

- Ideas for additional density bright lines:
 - o If a jurisdiction has a certain percentage agricultural land then they could qualify for a lower-density.
 - o Density per square mile vs. population
 - o Different standards for appropriateness of zoning requirements for urban areas with services vs rural areas.
- Requiring jurisdiction to identify place type (e.g. urban, rural) per SCS could cause issues politically if having to lock that in the housing element politically. Local land use plans do not need to be consistent with regional SCS.
- Need to have more leeway in looking at minimum density rezoning requirements based on geography.
- Examine a possible tie-in to transit priority areas (TPAs) or High Quality Transit Areas (HQTAs) to reward jurisdictions who designate capacity in these areas. For example, if a certain percentage RHNA can be met in those areas, then other areas in the jurisdiction could use a lower default density standard.
- Requiring greater capacity than baseline RHNA
 - Idea is to require some percentage if sites above what is required by the RHNA to acknowledge that some sites will not be developed as intended. Concern is that this concept is imperfect as those additional sites could have the same issues related to market rate housing developing on sites intended to be available for lower-income projects as exist today.
- Strengthening the no-net-loss statute (Gov. C. 65863) to expand criteria for replacement sites
 - Requiring by-right, or inclusionary or other requirements that will encourage affordability for replacement site.
 - Choosing replacement sites in master planned communities may increase likelihood of residential development, but may not result in the development of lower income housing without additional requirements
 - One of the current issues is that replacement sites are not required to go through the same analysis that the site identified in the inventory is required so there is a possibility of the replacement site being not as suitable for development. One possibility is to add requirements to no-net-loss law that requires findings for the new site. (i.e. has to have to same considerations per GC 65583.2).
 - The identification of a replacement site in the midst of planning period warrants affordability related conditions to increase likelihood of suitability for lower-income.

- Increase incentives for development of affordable housing (e.g. priority for state funds, amendments to density bonus law, small slice of sales tax, etc.)
 - Allow jurisdictions to use the availability of certain incentives to help demonstrate the appropriateness of zoning for lower-income. Some ideas include:
 - smaller unit size for affordable housing (size classification)- to get single-family affordable;
 - different development standards for less than market rate;
 - reduced parking requirements based on affordability data;
 - local funding (like boomerang funds) earmarked for affordable housing.
 - Some sort of priority for affordable housing in the entitlement process (by-right etc.).
 - Increase utilization of density bonus law and 4% or 9% tax credits. There will be several bills introduced related to tightening up density bonus law.
 - One issue is that sometimes specific plans, especially when requested for a planned development, provide additional density without requiring additional affordability, making it less likely that a developer will ask for a density bonus and as a result no affordable housing is developed. However, jurisdictions use specific plans for meeting other broader planning objectives.
- Look at housing element period affordable housing production minimums, e.g. for identified lower income sites, the jurisdiction as a whole (e.g. Massachusetts 40b), carryover sites
 - Introduce a lower income production requirement into California planning law by which a percentage of the aggregate new development over the planning period has to be affordable. Not reaching the benchmark would trigger certain additional affordability enhancements.
 - If a percentage of housing production goals are not being met consider requiring greater analysis sites and demonstration of availability for affordable housing development in the review and revise section of housing element law.

March 23th Meeting Notes

Participating Members: Roll Call: Mike Rawson, Ilene Jacobs, John Terell, Betsy Strauss, Anya Lawler, Larry Florin, Ma'Ayn Johnson, Leighann Moffitt, Gillian Adams

Discussion of Specific Ideas:

- By-Right Development on Housing Element Sites: The goal of this proposal is to incentivize multifamily affordable development through allowing development by-right under certain conditions on sites identified in the housing element if a proposed development will include affordable housing. While the participants agreed to the concept or were at least open to the concept, the circumstances for the by-right are still being debated. Discussion centered on the APA by-right proposal AB 2522 (Bloom) which would amend the “attached-housing” statute, Government Code 65589.4.
 - Agreement among many of the group that proposal should just incentivize developments with low and very low-income units; affordable housing advocates, however, want to see a greater percentage of affordable housing required in exchange for by-right development.
 - Units should be deed restricted for 55 years.
 - The proposal should apply to all sites identified for affordable housing in the sites inventory not just infill development.
 - Clarify that bill is intended to encourage infill in all communities and to encourage affordability at all levels.
 - There is concern among those representing jurisdictions relating to allowing the maximum allowable densities by-right as by-right would limit discretion needed to deal with parcel specific issues such as appropriate size and scale.
 - Affordable housing advocates are concerned that there is not a stronger and clearer link with the by-right site identification obligations in the housing element statute.
- Revision of Default Densities by Geographic Area: The goal of this proposal is to provide some flexibility with default densities in non-urban or suburban areas of unincorporated counties or in other situations where default densities effectively pose a constraint to development because the market is for lower density (e.g. Sacramento or when smaller geographical areas are designated urban due to their MSA, e.g. some Riverside jurisdictions). There was general agreement on advancing this idea though the group did not agree on any specific details.
 - Using urban service boundaries to determine default densities in unincorporated areas.

- Don't want to make the densities so small that affordable housing cannot be built.
 - Develop a separate density analysis "template" for affordable housing development in unincorporated areas. This could include consideration of available urban service and reasonable assumptions about development feasibility.
 - One suggestion was to increase densities in some places of the jurisdiction around Transit Priority Areas then reduce the default density in other areas to connect with the SCS, although some pointed out that there is a tremendous need for affordable housing outside of the SCS footprints.
- Strengthening No-Net-Loss Statute (Gov. C. 65863) – The goal of this proposal is to clarify the no-net-loss law to require replacement sites to meet housing element site standards. Replacement sites should be by-right. This proposal did not get agreement as it needs further thought.

Other ideas around this topic:

- Require replacement sites to have some percentage of affordability when developed.
 - Make sure any by-right proposal is consistent with no-net-loss provisions and vice-versa.
 - Need clarity on how the income requirements within RHNA work with no-net loss.
- Explore Adding Overall Production Requirement (e.g. Massachusetts 40b) – Proposal to explore production requirements in other states. General agreement to do a white paper on the subject to at least look at what other states are doing but some members recommended caution.